

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7526**

**BILL NUMBER:** SB 336

**NOTE PREPARED:** Jan 5, 2007

**BILL AMENDED:**

**SUBJECT:** Donations by local units to community foundations.

**FIRST AUTHOR:** Sen. Riegsecker

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** The bill allows a unit of local government (unit) to donate money in the unit's local Major Moves construction fund to a charitable nonprofit community foundation. (Current law allows the proceeds from the sale of a utility or facility or from a grant, a gift, a donation, an endowment, a bequest, a trust, or riverboat gaming revenue to be donated.)

It allows a donation by a unit to be held by a charitable nonprofit community foundation as either a permanent endowed designated fund or as a nonendowed designated fund. The bill requires a unit to specify whether a donation shall be held by the charitable nonprofit community foundation as a permanent endowed designated fund or as a nonendowed designated fund.

**Effective Date:** July 1, 2007.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** This bill expands the number of alternatives for which money in a local unit's Major Moves construction fund may be spent. Ultimately, the impact of this bill will depend on the actions of local units deciding to donate money to a charitable nonprofit community foundation.

*Background:* Money paid into local units' Major Moves construction funds from the state's Major Moves

Construction Fund includes:

- (1) Before October 15, 2006, \$75 M distributed among the units that are eligible to receive money from the Motor Vehicle Highway Fund;
- (2) Before September 15, 2006, \$40 M each for Steuben, LaGrange, LaPorte, Elkhart, and St. Joseph Counties; \$25 M for Porter County; and \$15 M for Lake County. (LaPorte's distribution could be reduced if it joins the Northwest Indiana Regional Development Authority.)

**State Agencies Affected:**

**Local Agencies Affected:** Counties, cities, and towns.

**Information Sources:**

**Fiscal Analyst:** Karen Firestone, 317-234-2106.